

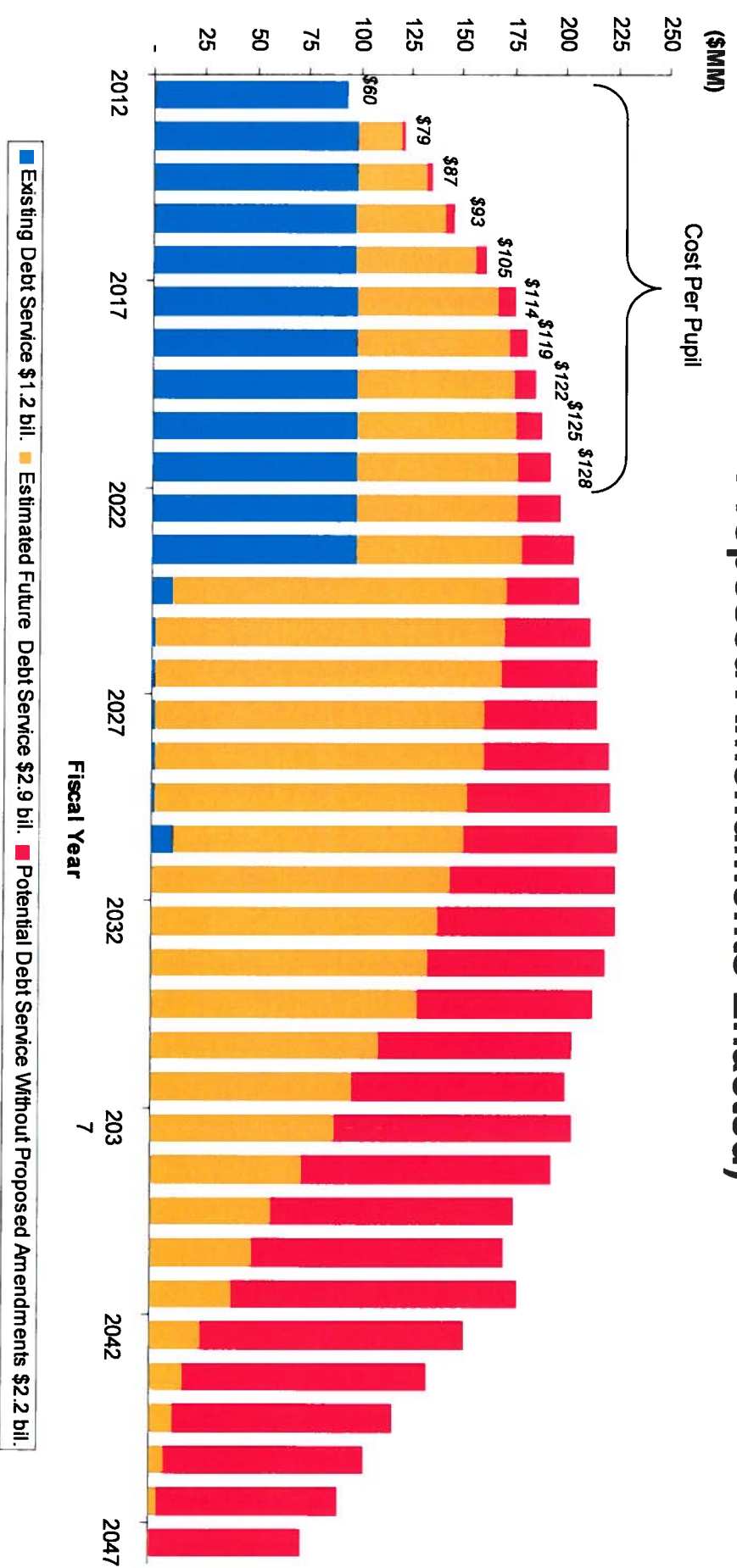
# Michigan Department of Treasury School Bond Loan Program Computed Millage Recalculation Examples

**Senate Bill 770 requires school districts to recalculate the computed millage annually to ensure that all loans can be repaid by the mandatory final loan repayment date.**

**The examples below show the effect this amendment will have on certain districts' millage rates.**

School District	Mandatory Final Loan Repayment Date	Current Projections			TV Growth Assumptions		Sample Millage Recalculation		
		Expected Loan Repayment Date With No Millage Increase	Years Beyond Mandatory Final Loan Repayment Date	Estimated Balance Owed on Mandatory Final Loan Repayment Date (With No Millage Increase)	Taxable Value Growth Rate Years 1 - 5	Taxable Value Growth Rate Year 6 and Beyond	Current Computed Millage Rate	New Computed Millage Rate Needed to Repay Loans by Mandatory Final Loan Repayment Date	Millage Increase Needed
Anchor Bay	2039	2045	6	\$102 mil.	-3.25%	3.00%	10.00	11.40	1.40
Armada	2036	2038	2	\$6.5 mil.	-0.76%	3.00%	7.00	7.30	0.30
Carrollton	2036	2042	6	\$4.5 mil.	-4.56%	3.00%	7.50	8.90	1.40
Chippewa Valley	2040	2050	10	\$361 mil.	-2.20%	3.00%	7.65	9.40	1.75
Hazel Park	2038	2067	29	\$75 mil.	-5.48%	3.00%	7.00	10.90	3.90
Oxford	2037	2064	27	\$175 mil.	-4.75%	3.00%	7.00	11.20	4.20
Whitmore Lake	2039	2055	16	\$57 mil.	-1.34%	3.00%	7.25	9.70	2.45

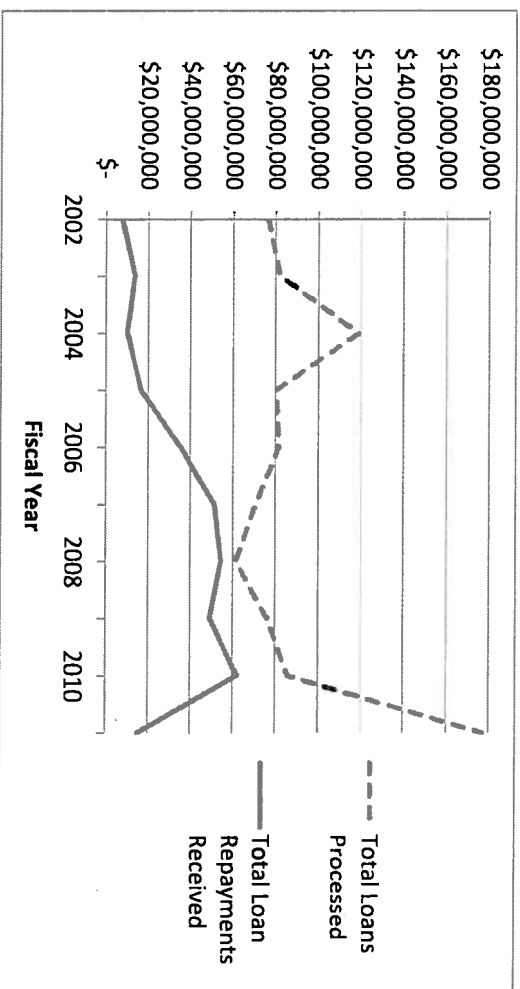
# **Projected School Bond Loan GO Debt Service (Current and Projected Future Participants *Without* Proposed Amendments Enacted)**



Debt service based on estimated future loan needs of both current and projected future borrowers funded with GO bonds. Loan needs based on TV growth at the 5-year average rate for the next 5 years and 3% thereafter.  
 Estimated cost per pupil based on Senate Fiscal Agency student count projections and existing and estimated future debt service on GO bonds issued to fund loans for current and projected future participants. Assumes debt service will continue to be paid from the School Aid Fund.

# **School Bond Loan Program** **Michigan Department of Treasury** **Loan and Repayment Trends** **Last 10 Years**

<b>Fiscal Year</b>	<b>Total Loans Processed</b>	<b>Total Loan Repayments Received</b>
2002	\$ 76,361,683	\$ 7,745,270
2003	\$ 82,290,259	\$ 13,705,797
2004	\$ 118,886,227	\$ 10,029,980
2005	\$ 80,567,904	\$ 16,755,724
2006	\$ 81,694,622	\$ 35,530,205
2007	\$ 70,941,714	\$ 51,142,722
2008	\$ 61,553,742	\$ 54,380,320
2009	\$ 76,104,789	\$ 49,225,377
2010	\$ 85,983,028	\$ 62,037,364
2011	\$ 177,207,783	\$ 15,267,688



# Michigan Department of Treasury

**School Bond Loans Outstanding**  
(in millions)

Year	Actual:
1992	\$13.3
1993	\$36.3
1994	\$57.3
1995	\$82.1
1996	\$118.3
1997	\$169.1
1998	\$240.3
1999	\$323.0
2000	\$401.3
2001	\$483.9
2002	\$575.5
2003	\$662.8
2004	\$612.3
2005	\$695.2
2006	\$771.1
2007	\$847.5
2008	\$874.1
2009	\$951.7
2010	\$1,023.8
2011	\$1,229.8
2012	\$1,495.1
2013	\$1,760.9
2014	\$2,037.2
2015	\$2,321.1
2016	\$2,614.3
2017	\$2,865.3
2018	\$3,123.3
2019	\$3,386.0
2020	\$3,654.1
2021	\$3,919.1
2022	\$4,135.0
2023	\$4,331.5
2024	\$4,512.1
2025	\$4,685.0
2026	\$4,844.1
2027	\$4,983.6
2028	\$5,091.9
2029	\$5,188.7
2030	\$5,239.4
2031	\$5,264.7

**School Bond Loans Outstanding**  
**Historical and Projected**  
**Current an Future Participants**  
**(Without Proposed Amendments Enacted)**

